GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:926
ANSWERED ON:29.04.2016
Credit Cooperative Structure
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Will the Minister of FINANCE be pleased to state:

(a) whether crores of rupees were sanctioned to the Gujarat Government as revival package for credit cooperative structure; and

(b) if so, the details thereof along with the time by which the said amount will be released?

Answer

The Minister of State in the Ministry of Finance

(a) & (b): Based on the report of the Vaidyanathan Committee, the Revival Package for Short Term Cooperative Credit Structure (STCCS) was announced in 2006. The financial component of the Revival Package on all India basis was estimated at Rs.13,596 crore with the share of the Central Government at Rs.9,245.28 crore. However, based on the special audit, the size of the Package on all India basis was later revised to Rs.21,739 crore, with Central Government's share at approx. Rs.15,903crore. Based on the special audit, the revised share of Central Government in respect of the State of Gujarat was assessed at Rs.828.69 crore.

The Revival Package was to be implemented over a period of three years from the date of signing of the Memorandum of Understanding (MoU) by the concerned State Government with Government of India (GoI) and National Bank for Agriculture & Rural Development (NABARD). The Government of Gujarat signed the MoU on 21.12.2006 for implementation of the package.Release of funds under the package was contingent upon completion of benchmark activities stipulated in the MoU. Based on the status of these benchmark activities, the Central Government released Rs.567.78 crore to Gujarat under the Revival Package.

The implementation period of the Package was extended till 30th June, 2011 for all States to facilitate completion of identified benchmark activities.

Since the State of Gujarat could not complete all the benchmark activities by the extended period, i.e. 30th June, 2011, it was not eligible for any further support under the Package.

The matter of extending the package beyond 30.6.2011 was considered by the Government, however, it was decided not to extend the deadline for implementation of STCCS package or to make it an on-going scheme.